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FM AMEMBASSY LJUBLJANA

TO RUEHC/SECSTATE WASHDC IMMEDIATE 7630

INFO RUEHBW/AMEMBASSY BELGRADE PRIORITY 0013

RUEHPS/AMEMBASSY PRISTINA PRIORITY 0194

RUEHVJ/AMEMBASSY SARAJEVO PRIORITY 0060

RUEHBS/USEU BRUSSELS PRIORITY

RUEHZN/EUROPEAN POLITICAL COLLECTIVE

RUEAIIA/CIA WASHDC

C O N F I D E N T I A L SECTION 01 OF 04 LJUBLJANA 000019

SIPDIS

EUR/FO FOR DAS QUANRUD AND DAS JONES

PM FOR PDAS COUNTRYMAN

EUR/CE FOR KONDITI

E.O. 12958: DECL: 01/25/2020

TAGS: PGOV PREL EUN MARR BK KV SI

SUBJECT: SCENESETTER ON SLOVENIA'S ENGAGEMENT IN THE  
WESTERN BALKANS

REF: A. 09 LJUBLJANA 385

1B. LJUBLJANA 006

Classified By: Pol-Econ Chief Yuriy Fedkiw, reasons 1.4 (b,d)

#### SUMMARY

1.(C) Slovenia sees eye-to-eye with the United States on nearly all issues relating to the Western Balkans and offers us a good partner in promoting transatlantic priorities. The one exception -- Slovenia's refusal to allow Croatia's EU accession talks to move forward without an agreement on resolving the bilateral border dispute -- now appears to be on a path toward resolution, though several procedural and political hurdles remain on the Slovenian side. One sign of this improved relationship is the proposal by Prime Ministers Pahor and Kosor to jointly-sponsor with the EU a conference on the Western Balkans in the second half of March. The Western Balkans are and will remain a primary focus for Slovenian foreign policy and development/aid assistance. Ljubljana shares our goal of EU and NATO expansion in the Balkans, believing it will further regional stabilization and development goals. The Slovenians would like to see membership extended to all the former Yugoslav republics and Albania, and is fighting in Brussels to keep the EU from losing its focus on the region, particularly now that Sweden has passed the baton of the EU Presidency to the Spanish.

2.(C) Bosnia and Herzegovina (BiH) forms a major focal point for Slovenia's overall foreign policy, and Ljubljana has indicated to us on several occasions that Slovenia is seeking closer coordination with the United States on all issues affecting that country and the region as a whole. We should take advantage of Slovenia's unique position as we continue to actively engage in BiH to address constitutional reform issues. Slovenia is actively seeking a more prominent leadership role in the Western Balkans -- Volk's visit to Washington offers us an opportunity to recognize Slovenia's contributions to date and encourage Ljubljana to keep using its influence in BiH to help resolve the impasse surrounding the Butmir process. More broadly, Volk's visit offers an opportunity to encourage Slovenia to aim high in the region. Slovenia's goal should be leadership -- not "of" the region, but "on behalf of" the region. End summary.

A GOOD ALLY WITH A UNIQUE PERSPECTIVE IN THE WESTERN BALKANS

3.(SBU) This message is intended to update policy makers on Slovenia's engagement in the Western Balkans in advance of MFA Western Balkans Coordinator Vojko Volk's January 26 visit to Washington to introduce Slovenia's "new" Western Balkans

Policy.

4.(SBU) In a speech delivered on January 7, Foreign Minister Zbogar outlined the role of Slovenian diplomacy in the Western Balkans. Zbogar assessed that Slovenia enjoys excellent relations with countries in the region based on mutual trust and equal partnership. The FM noted Ljubljana's policy is to apply a consistent and impartial approach to all countries in the Western Balkans, and in particular, to places where there may be fundamental disagreements such as Serbia and Kosovo. According to Zbogar, Slovenia seeks to create an environment conducive to supporting its own national interests while allowing for in-depth cooperation in areas of mutual interest for all the former Yugoslav states. To accomplish this, Slovenia sees the prospect of EU and NATO membership not only as a stabilizing factor, but also as a key engine for reform, particularly in Sarajevo. The FM noted in his speech that Slovenia will continue to play a role in contributing to security sector reform and ensuring that the rule of law takes hold in the Western Balkans. Slovenia plans to participate in a reconstructed EU mission in BiH whose main task will be to train the BiH armed forces. Slovenia will also maintain its relatively large presence in KFOR, as well as the EU civilian missions in BiH and Kosovo and the OSCE missions in BiH, Serbia and Kosovo.

5.(SBU) To underscore its long-term commitment to the region, the Government of Slovenia (GOS) plans to shortly present to Parliament a Western Balkans Strategy that is to codify a more coherent and coordinated approach to engagement of both the countries and citizens of the region. It is our

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understanding that Volk's main purpose in traveling to the United States is to outline this new strategy. The head of the MFA's Division for Southeastern Europe and Regional Cooperation, Alenka Kosir, said that Slovenia's new strategy will accomplish two major tasks. First, it will lay out Slovenia's promise to assist the Western Balkan states in Euro-Atlantic integration. The strategy will review past accomplishments and broadly set future goals, laying out in general terms what Slovenia wants to accomplish in the region on both bilateral and multilateral levels. Second, the strategy will provide the MFA with the legal structure it needs to ease the interagency coordination process. For example, the new structure would allow for better coordination of educational and other types of exchanges with the region, as well as the free movement of people, goods, and capital services. This change is expected to permit the MFA to coordinate its policies more easily and encourage other ministries to "come on board" with Slovenia's overall foreign policy goals as they relate to the Western Balkans.

6.(SBU) As part of the integration process, Slovenia has called on EU member states to step up the process of visa liberalization for BiH and Albania. Slovenia sees the scrapping of visas for the entire Balkan region as a top priority and important step for reducing barriers between the EU and the region. A Slovenian MEP, Tanja Fajon, is the European Parliament's Special Rapporteur for Visa Liberalization for the Western Balkans. Another MEP, Jelko Kacin, is the EP Rapporteur for Serbia. Slovenia's strong political, economic, commercial, historical and people-to-people ties with the region give Ljubljana a unique perspective into the problems the Western Balkan nations are facing. Slovenian experts and government officials provide training in the areas of legislation, education, democracy building and the organization of key state institutions. Slovenian ministries have also cooperated closely with their counterparts on a more technical level to assist Western Balkan countries in meeting the EU accession standards. In addition to official government and NGO links, Slovenia has a fairly complex web of connections with the countries of the Western Balkans through business and trade. Recent figures indicate that 67% of Slovenian direct investment is in the Western Balkans.

SLOVENIA ON BOSNIA AND HERZEGOVINA

7.(C) Bosnia and Herzegovina (BiH) forms a key focal point for Ljubljana's foreign policy. Slovenia actively supports the joint U.S./EU effort to break the current logjam in BiH. FM Zbogar made several trips to BiH at the end of 2009 to talk with Bosniak leaders, and the MFA seconded one of its top lawyers to Sarajevo to work on the constitutional question. FM Zbogar noted in his January 7 speech that the Butmir process has failed to deliver success. The FM urged all parties to continue their dialogue and not turn their backs on those most at risk. While Zbogar did not elaborate on who he was specifically referring to during his public speech, Zbogar told CDA during a late December meeting that the Bosniaks would radicalize if they were left believing that the international community (IC) was turning its back on them (reftel A). Our working-level interlocutors at the MFA have noted that they were concerned this process of radicalization was beginning. According to the MFA's Kosir, the Bosniaks felt Butmir was too Republika Srpska focused. Kosir told Pol-Econ Chief in early January that the Bosniaks had high expectations for the Butmir Process and were ready to negotiate, but once the process began to falter, not enough external pressure was put on all parties to come to a final agreement. As a result, the MFA believes time is limited and that the process should continue even as the elections approach.

8.(C) Slovenia also believes Russia and Turkey both need to take on a more active role in the Butmir process. According to Kosir, the IC's future strategy should focus primarily on well-coordinated private discussions with the Bosniaks and other partners, as public gatherings of the three BiH parties have brought limited results. As the process moves forward, Kosir advocated that the three parties come to a private agreement before going public to avoid further politicization, and that the IC's main message to the Bosniaks should be that the IC is standing by to help. Kosir

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noted that the Bosniaks trust the United States and that Washington should use this leverage as the IC considers its next steps.

9.(C) Ljubljana is concerned that the IC may send the wrong signal to the region if BiH's process of Euro-Atlantic integration is put on indefinite hold because BiH's EU accession application will not be considered until the Office of the High Representative (OHR) closes. Although Slovenia believes the OHR should be closed down and that all conditions must be met before the transition can take place, Ljubljana is convinced the IC needs to present BiH with sufficient and credible incentives to keep the reform process moving and to underscore the importance of BiH's territorial integrity. In one of the few areas where Slovenia disagrees with the United States, Ljubljana would like to see MAP offered to BiH as soon as possible, preferably this April. The MFA believes that MAP would offer the Bosniaks the psychological and security guarantees they need to stay engaged in the reform process. Slovenia sees MAP as a starting point and as a means to achieve reform -- according to Kosir, the Bosniaks are mired in a vicious cycle and a strong incentive is required to pull them out. However, CDA conveyed to both Foreign Minister Zbogar and the Prime Minister's foreign policy advisor the U.S. position that progress on reform is necessary before the U.S. will consider MAP. Zbogar's question -- "what would constitute progress?" -- will likely be on Volk's lips when he visits Washington.

10.(C) Visa liberalization, while high on Slovenia's agenda, does not offer the same type of incentive to the Bosniaks as MAP would. Kosir explained that the Bosniaks saw the EU move to grant visa liberalization to Croatia and Serbia and not to BiH as an injustice committed against the Bosniak people -- visa liberalization for BiH would only "right a previous

wrong" and level the playing field. She noted that both the politicians and the general public in BiH agree on MAP. Because it is so difficult to get all the parties in BiH to agree on anything, Slovenia reasons that offering MAP in April presents the best incentive.

#### SLOVENIA AND KOSOVO, MACEDONIA

11.(SBU) Slovenia was the first Yugoslav successor state to recognize Kosovo's independence in March 2008, during its EU Presidency. Volk was Slovenia's first Ambassador to Pristina. The first Kosovo Ambassador to Slovenia, Anton Berisha, presented his credentials to the Ministry of Foreign Affairs on December 17, 2009. At that time, MFA State Secretary Dragoljuba Bencina assessed the relations between the two countries as very positive and called for enhanced bilateral economic cooperation.

12.(C) Ljubljana is cautiously optimistic that the ICJ's ruling will favor Kosovo and is actively engaged in Belgrade to ensure Serbia fully cooperates with the international community on Kosovo's legal status. However, the PM's foreign policy advisor asked CDA on January 21 whether Washington had a contingency plan for dealing with Serbia if the ICJ ruling goes against Kosovo. Volk may probe Washington's thinking in this regard.

13.(C) Slovenia currently has 395 troops participating in KFOR, and plans to keep around 300 there after the NATO drawdown in late January or early February 2010. Even as other KFOR contributors are looking for ways to reduce their numbers, Slovenia plans to maintain its role and the size of its contribution to KFOR as conditions progress toward further drawdown. Slovenia's soldiers are well-liked by both Kosovars and Serbs, who appreciate the Slovenes' understanding of local history, customs, and language. Since its EU Presidency in 2008, Slovenia has worked to increase access for Kosovo in regional fora and to continue the gradual process of Kosovo's regional integration.

14.(C) Slovenia fully supports Macedonia's aspirations to join the EU and NATO. Prime Minister Pahor is interested in helping to resolve the Greece-Macedonia standoff, but he has little to show so far for his private discussions with Greek PM Yeoryios Papandreu and Macedonian PM Nikola Gruevski. FM Zbogar told CDA that Pahor delivered a "firm" message to Gruevski when the two men recently met, regarding the need to

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see the current financial crisis in Greece as an opportunity to resolve political issues and revive trade links.

#### SLOVENIA'S DEVELOPMENT ASSISTANCE FOR THE REGION

15.(SBU) Slovenia focuses its development assistance on several geographic regions, with the primary one being the Western Balkans. FM Zbogar recently noted that 70% of Slovenia's bilateral development assistance is devoted to the region. Slovenia has already signed bilateral development cooperation agreements with Albania, BiH, Macedonia, Moldova and Serbia. An agreement with Kosovo is in the pipeline. Slovenia channels its bilateral development cooperation primarily through non-governmental organizations. For example, Slovenia is active in the area of demining through the International Trust Fund for Demining and Mine Victims Assistance and through the Center for European Perspective to build technical capacities for Euro-Atlantic structures.

16.(SBU) Slovenian development assistance also targets specific sectors such as children and social services, good governance, and environmental protection. These projects tie in well with President Turk's overall focus on human security issues. Because Slovenia's development assistance in real terms is limited, Slovenia proposes to move forward with "tripartite" projects that combine the efforts of Slovenia, an additional donor country and host country development aid.

According to FM Zbogar, this approach will promote local ownership and responsibility for the projects. As a result of this "tripartite" approach, Slovenia is looking to further cooperation with USAID on funding aid and assistance projects in the region.

COMMENT

17.(C) Slovenia has a unique window into the Western Balkans based upon a shared history and web of government, business and personal relationships. Slovenia recognizes that it has both a responsibility and a national interest in aiding Western Balkan nations move towards greater European and trans-Atlantic integration and has undertaken several initiatives (some of which are outlined in this cable) to achieve this goal. As Slovenia continues to seek a foreign policy niche for itself in an expanding European Union, we should encourage the Slovenes to use their influence to help the Western Balkan states maintain their course of deeper integration into Euro-Atlantic institutions.

18.(C) Slovenia has a powerful success story to tell, and can take a leadership role in bringing further democratization and reform to the region. Slovenia also has an important role to play in Brussels to overcome EU expansion fatigue. We should take advantage of Volk's trip to Washington to ask the Slovenes to help us maintain momentum in the Butmir reform process in BiH and to convince all parties involved to take ownership of the process and move it forward. More broadly, we should encourage Slovenia to set its sights on leadership -- not leadership "of" the region, but leadership "on behalf of" the region, both in Brussels and by supporting the reforms necessary for these countries to enter the EU and NATO.

FREDEN